

AMP Australian Property

Quarterly Investment Option Update

30 June 2020

Aim and Strategy

To generate long-term returns from investing in Australian property. This portfolio predominately invests in a range of listed property trusts and cash, and may hold exposures to unlisted property.

Investment Option Performance

To view the latest investment performances for each product, please visit www.amp.com.au

Investment Option Overview

Investment category	Property and infrastructure
Suggested minimum investment timeframe	7 years
Relative risk rating	Medium to High
Investment style	Active
Manager style	Single

Asset Allocation	Benchmark (%)
Unlisted Property and Infrastructure	45
Listed Property and Infrastructure	40
Cash	15

Actual Allocation	%
Listed Property and Infrastructure	41.78
Unlisted Property and Infrastructure	35.64
Cash	22.59

Region Allocation	%
Australasia	100.00

Market Review

The Australian listed real estate market rallied for most of the June quarter and outperformed the broader Australian share market, which also rose strongly. The market finished the quarter up by 19.9%, as measured by the S&P/ASX 200 A-REIT index on a total return basis. Markets were supported by significant economic stimulus, with sentiment also buoyed by the relative success of COVID-19 containment measures in Australia which saw state governments start lifting mandatory lockdowns. In this highly uncertain environment, Australian listed real estate companies continued to withdraw their earnings and dividend guidance for financial year 2019-20. Many companies also opportunistically raised capital or renewed and extended debt facilities to maintain liquidity, fund acquisitions and improve their balance sheets. The already struggling retail segment was hit particularly hard over the quarter, as consumer confidence fell sharply to the lowest level since the survey began, with retail foot traffic weakening dramatically to see April retail sales experience a record fall amid announcements of store closures. There were however some positive signs later in the period, with data for May showing some slowing in the rate of deterioration in the labour market and improving consumer confidence.

Outlook

Unlisted commercial property is likely to see reasonable returns, particularly in sectors which are less sensitive to the economic cycle. Retail property remains weak and may be more exposed to the COVID-19 induced economic downturn, depending on the asset. However, extremely low bond yields should provide some support for unlisted asset valuations.

Availability

Product Name	APIR
Flexible Lifetime - Super	AMP0439AU*

*Closed to new investors

Contact Details

Web: www.amp.com.au

Email: askamp@amp.com.au

Phone: 131 267



What you need to know

This publication has been prepared by AMP Limited ABN 49 079 354 519. The information contained in this publication has been derived from sources believed to be accurate and reliable as at the date of this document. Information provided in this investment option update are views of the underlying Investment Manager only and not necessarily the views of the AMP Group. No representation is given in relation to the accuracy or completeness of any statement contained in it. Whilst care has been taken in the preparation of this publication, to the extent permitted by law, no liability is accepted for any loss or damage as a result of reliance on this information. AMP Life is part of the AMP Group. In providing the general advice, AMP Group and AMP Life Limited ABN 84 079 300 379, AFSL 233671 (AMP Life) receives fees and charges and their employees and directors receive salaries, bonuses and other benefits.

The information in this document is of a general nature only and does not take into account your financial situation, objectives and needs. Before you make any investment decision based on the information contained in this document you should consider how it applies to your personal objectives, financial situation and needs, or speak to a financial planner.

The investment option referred to in this publication is available through products issued by N.M. Superannuation Proprietary Ltd ABN 31 008 428 322, AFSL 234654 (NM Super), AMP Capital Funds Management Limited ABN 15 159 557 721, AFSL 426455 (AMPCFM), ipac asset management limited ABN 22 003 257 225, AFSL 234655 (ipac) and/or AMP Life. Before deciding to invest or make a decision about the investment options, you should read the current Product Disclosure Statement for the relevant product, available from the issuer or your financial planner.

Any references to the "Fund", strategies, asset allocations or exposures are references to the underlying managed fund that the investment option either directly or indirectly invests in (AMP Australian Property). The investment option's aim and strategy mirrors the objective and investment approach of the underlying fund. An investment in the investment option is not a direct investment in the underlying fund.

Neither NM Super, AMPCFM, ipac, AMP Life, any other company in the AMP Group nor the underlying fund manager guarantees the repayment of capital or the performance of any product or particular rate of return referred to in this document. Past Performance is not a reliable indicator of future performance.